

# IDEA Recovery Funds Fact Sheet

## *Philosophy*

- Four principles guide the distribution and use of American Recovery and Reinvestment Act (ARRA) funds:
  - Spend funds quickly to save and create jobs.
  - Improve student achievement through school improvement and reform.
  - Ensure transparency, reporting and accountability.
  - Invest one-time ARRA funds thoughtfully to minimize the “funding cliff.”

## *Award*

- IDEA Recovery funds will be awarded to LEAs in the same manner that IDEA entitlement dollars are awarded.
- IDEA Recovery funds include both the “flow-through” funds (covering children ages 3 to 21) and “preschool” funds (covering children ages 3 to 5).

## *Allowable Costs*

- The IDEA Recovery funds must be used in accordance with both IDEA regulations and the American Recovery and Reinvestment Act and applicable requirements in GEPA and EDGAR. *GEPA* is the General Education Provisions Act and *EDGAR* is the Education Department General Administrative Regulations.
- IDEA Recovery funds must only be used for the excess cost of providing special education and must be used in accordance with the IDEA allowable costs and Wisconsin’s state statutes.
- LEAs are required to receive prior approval for equipment purchases. LEAs request this approval through the IDEA budget process.
- LEAs are required to receive prior approval for alterations of facilities for accommodations. LEAs request this approval through the IDEA budget process.

## *Timeframe*

- IDEA Recovery funds are fiscal year 2009-10 funding.
- The funding cycle for the IDEA Recovery Funds is February 17, 2009, (the date the Act was signed) through September 30, 2011.
- The IDEA Recovery budgets will not be “re-set” on July 1, 2010. After initial submission, IDEA recovery budgets will be in “amendment mode” until September 30, 2011.
- LEAs will have until September 30, 2011, to obligate the IDEA recovery funds.

## *Parentally-Placed Private School Students*

- Districts must include the IDEA recovery funds in calculating the proportionate share that must be spent on parentally placed private school children. (34 CFR §300.133(a)).
- School districts must consult with private school officials and representatives of parents of parentally-placed private school students on the use of all IDEA funds, including IDEA Recovery funds.

### *Budget*

- IDEA Recovery budgets and claims may not be administered by a CESA or County Board through a cooperative. Individual LEAs will be responsible for submitting budgets and claims through the IDEA web-based budget software.
- IDEA Recovery funds must be budgeted, expended, and claimed separately from the fiscal year 2009-10 IDEA flow-through and preschool entitlement funds.
- IDEA Recovery funds have different CFDA numbers and DPI project numbers assigned.

### *Due Dates*

- IDEA assurances and flow-through and preschool budgets for the regular IDEA entitlement and the IDEA Recovery funds must be submitted by July 1, 2009.
- CEIS budgets are due November 1 for the 2009-10 fiscal year.
- Even though the IDEA Recovery funds are available from February 17, 2009, to September 30, 2011, an LEA may not submit a CEIS budget after November 1, 2009, as part of their IDEA recovery or IDEA entitlement budgets. CEIS is short for Coordinated Early Intervening Services.
- All LEAs must submit quarterly claims. DPI is required to report to OSEP quarterly on recovery fund expenditures made by the LEAs.

### *Maintenance of Effort*

- IDEA's maintenance of effort (MOE) provisions require LEAs budget the same amount of local and state funding for special education services as it expended in the previous fiscal year.
- If an LEA receives an increase in its IDEA flow-through allocation from one fiscal year to the next, the LEA may reduce its MOE obligations by half of the increased amount. (50% rule)
- If an LEA reduces its MOE through the 50% rule, existing special education costs funded with local dollars can be moved to IDEA funding, freeing up local dollars.
- The freed-up funds must be used to carry out activities that could be supported under the Elementary and Secondary Education Act (ESEA).
- IDEA funds that are expended on CEIS activities must be deducted from the amount an LEA could have reduced their MOE through the 50% rule. The use of IDEA CEIS funds does not increase an LEA's MOE obligation.
- The IDEA Recovery funds will only be awarded in the 2009-10 fiscal year. If LEAs do not reduce their maintenance of effort in 2009-10, the option of utilizing the 50% rule against the IDEA recovery funds will be lost.
- An LEA is required only to maintain the new reduced MOE amount in subsequent years, until the LEA increases the level of special education expenditures, using local funds on its own.

### *Supplement Not Supplant*

- Currently there is no requirement related to supplanting "particular costs" and if an LEA maintains local effort (MOE) it will not violate the supplement/not supplant requirements of the IDEA.